

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
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FISCAL IMPACT STATEMENT

LS 6560

BILL NUMBER: HB 1349

DATE PREPARED: Dec 11, 1998

BILL AMENDED:

SUBJECT: Academic honors diploma award.

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FUNDS AFFECTED: **GENERAL
DEDICATED
FEDERAL**

IMPACT: Local

Summary of Legislation: This bill requires an individual to be enrolled in a program of postsecondary education in order to be eligible to receive money from a school corporation for earning an academic honors diploma.

Effective Date: July 1, 1999.

Explanation of State Expenditures:

Explanation of State Revenues:

Explanation of Local Expenditures: Under current law, school corporations receive \$800 for each student who receives an academic honors diploma. This dollar award is deposited in the general fund of each school corporation. The 1998 General Assembly permitted, but did not mandate, school corporations to award each student who receives an academic honors diploma with \$800.

Requiring holders of academic honors diplomas to enroll in postsecondary education programs as a condition of receiving the \$800 award would have a marginal effect on school corporations. This is because roughly 95% of all high school graduates receiving an academic honors diploma will enroll in a postsecondary education program. Consequently, if this bill became law, there would likely be a few students who would not be eligible for this award from the school corporations who are granting this award.

Because this change in statute has only affected one graduating class any comprehensive information on the number of school corporations which are actually awarding their students with the award will not be available until April, 1999. To provide some anecdotal information, 45 school corporations responded to a request for information on whether the school boards in their corporations award the academic honors award to their graduates. In the 1997-98 school year, 12 school corporations awarded the \$800 to the graduates with

an academic honors diploma while 33 did not. For the 1998-99 school year, 11 responded that they will award the \$800 to the students, 31 will not make the award while 3 school corporations are undecided.

For 1998, the amount of funding that was given to school corporations for the Academic Honors Diploma ranged from a low of \$800 to a high of \$302,400.

The Department of Education reports the number of high school graduates receiving academic honors diplomas between school years 1993 and 1997:

Academic Honors Diplomas

<u>School Year</u>	<u>Number of Diplomas Issued</u>
1992-93	5,891
1993-94	6,586
1994-95	7,404
1995-96	8,169
1996-97	9,123

Explanation of Local Revenues:

State Agencies Affected:

Local Agencies Affected: School corporations.

Information Sources: Department of Education Oracle Data Tables; Commission on Higher Education.